

## International Business News

## Exxon makes first big investment in biofuels

AP, Houston

Exxon Mobil Corp said Tuesday it will make its first major investment in greenhouse-gas reducing biofuels in a \$600 million partnership with biotech company Synthetic Genomics Inc to develop transportation fuels from algae.

Despite record-breaking profits in recent years, the oil and gas giant has been criticised by environmental groups, members of Congress and even shareholders for not spending enough to explore alternative energy options.

One of the company's requirements was finding a biofuel source that could be produced on a large scale. It says photosynthetic algae appears to be a viable, long-term candidate. If the alliance is successful, pumping algae-based gasoline at Exxon service stations is still several years away and will mean additional, multibillion-dollar investments for mass production.

"This is not going to be easy, and there are no guarantees of success," Emil Jacobs, a vice president at Exxon Mobil Research and Engineering Co, said in an interview with The Associated Press. "But we're combining Exxon Mobil's technical and financial strength with a leader in bioscientific genomics."

Jacobs said the project involves three critical steps: identifying algae strains that can produce suitable types of oil quickly and at low costs, determining the best way to grow the algae and developing systems to harvest enough for commercial purposes.

## Gas to cloud Germany, Russia talks

AFP, Berlin

German Chancellor Angela Merkel will Thursday welcome Russia's President Dmitry Medvedev for talks set to be dominated by efforts to avoid another crisis over gas supplies to Europe this winter.

Merkel and Medvedev will hold private talks near the southern city of Munich before being joined by key members of both governments, including the ministers for the interior, economy, environment and education, Berlin said.

"The talks will encompass the most important foreign policy questions, such as Iran, North Korea's nuclear programme, the Middle East peace process, as well as economic topics, such as the financial crisis and the read-out from the G8 meeting," Merkel's spokesman, Ulrich Wilhelm, said on Monday.

"They will discuss a wide range of issues, including on security, gas and economic issues," said a Kremlin official on condition of anonymity.

In addition, a host of interministerial agreements were to be signed, covering security and transportation among other issues, she added, according to preliminary information.



AFP

Managing Director for Sony India Masaru Tamagawa poses with models as he holds Sony's wire-free W series MP3 player in New Delhi yesterday. Sony India introduced wire-free W series MP3 players to the Indian market, which comes with 2GB of internal storage and with a quick charge feature which allows the device to play back up to 90 minutes of music with a three-minute charge and up to 12 hours of music with a full charge. With 13.5mm EX headphones MP3 players will be available in India at price of Indian Rupees 4,990 (\$102).

## Toyota unveils new hybrid-only Lexus

AFP, Tokyo

Toyota unveiled Tuesday its first Lexus sedan available only as a hybrid, hoping that the popularity of fuel-efficient vehicles will help the luxury range buck the economic downturn.

Toyota Motor said the Lexus HS250h sedan offered improved fuel efficiency of 23 kilometres per litre.

The company said it had received more than 3,000 pre-launch orders for the new model and aims to sell 500 of the vehicles per month in Japan, with a price tag starting from 3.95 million yen (42,500 dollars).

The Lexus luxury line-up already has several hybrid models, but the HS250h is the first that comes only with the fuel-sipping system, combining a 2.4-litre petrol engine with an electric motor.

"This is a new challenge for Lexus," Toyota president Akio Toyoda said at the launch.

The new Lexus, which has a system showing the driver how efficiently it is being driven, will go on sale in North America in September.

## Philippines to avoid recession, say analysts

AFP, Manila

The Philippines will likely avoid a recession this year due to remittances, strong consumption, low inflation and interest rates and high liquidity, business analysts said Tuesday.

Speaking at a forum at the Philippine Stock Exchange, they said the economy likely grew in the second quarter and the momentum is expected to be sustained for the whole of 2009.

"The performance of the stock market mirrored the performance of the economy," said stock exchange president Francis Lim, citing the composite index which has risen 26.2 percent since the start of the year.

Eduardo Francisco, president of BDO Capital and Investment Corp., said there was about 1.2 trillion pesos (24.8 billion dollars) of liquidity in the system.

## LIFESTYLE

## Brass wins back lustre

SAYEDA AKTER

It was customary for kings and zamindars in ancient Bengal to wear ornate items at home and work -- made of gold, silver and brass, a clear display of social and financial status.

These precious and semi-precious metals were mostly used in war and for military use to make weapons such as sword handles, shields, tridents, spears and tanks.

In addition, kings used metals like gold and silver, but mostly brass, to construct temple spires or gods and goddesses during Durga Puja, according to Bangladesh.

As the prices of gold and silver went beyond the reach of many, its use declined. However, the use of brass was such that it was unlikely to find a household that did not own brass souvenirs or kitchen utensils or at least cutlery, even in rural areas.

Those were the bygone days.

Over the years, porcelain, ceramics and melamine products replaced the use of brass metal at home. On the war front as well, modern technology has nulled the use of the metal in making weapons.

In the 1950s, brass was struggling to make a presence and primarily used only to make locks, gears, automobile bearings, door-knobs, ammunition, zippers and electrical appliances.

However, the use of brass metal revived over the past two decades, as it was mainly used in producing a wide range of showpieces that won the hearts of the urban population. The pieces were ideal for gifts and became popular both home and abroad.

Brass is widely used in producing musical instruments such as horns, trumpets, guitar strings and bells, for its acoustic properties.

Currently annual brass item sales are worth around Tk 25,000 crore with Aarong in the lead, said industry people.

Pradip Kumar Chakroborty, a designer at Aarong, said they revived the use of brass metal by producing handicrafts right after establishing the boutique in 1978.



SYED ZAKIR HOSSAIN

Brass showpieces are up for sale at an Aarong outlet in Dhaka. The use of brass metal has revived over the past two decades.

"The main inspiration behind the use of brass was to relive the good old days through the metal. It was one of the oldest metals used in ancient Bengal," he said. "We developed a wide range of products after researching demand for the product at home and abroad."

Aarong produces several brass metal products, such as decorative photo frames, candle stands, lamps and miniature Buddhas, horses, elephants, ducklings, kittens, rabbits, rickshaws and boats.

Aarong markets these products in eight of its branches across Bangladesh -- in Dhaka, Chittagong, Khulna and Sylhet -- and one branch in London.

Today Aarong supports the livelihood of nearly 65,000 rural

artisans and handicraft producers -- 85 percent of them are women. There are also hundreds of independent cooperative groups and traditional family-based brass artisans who market their craft through Aarong.

Aarong collects brass products from different parts of the country, including Jamalpur, Tangail, Chapainawabganj, Brahmanbaria, Shariatpur, Lalbagh and Dhamrai, Pradip said.

Raw materials are mainly collected from scrap collectors across the country and then recycled for craftwork, he adds.

In addition to branded boutique shops, the success of Aarong has also inspired individual entrepreneurs to follow suit. Brass

metal craft is now being exported from the country.

Presently there are two dedicated brass metal craft markets in Dhaka -- Elephant Road and Gulshan -- that showcase a wide range of products and is popular among antique lovers and collectors.

KM Enamul Haque, CEO of GIT Bangladesh Ltd., said his company produces antique replica and brass metal craft showpieces, including fruit baskets, horses, flowerpots and paperweights.

"We produce mainly to export to different countries. There is a high demand for our products as our cost of production is low," he said. The company exports 80 percent of its total production to the States, Europe, Southeast Asia,

Africa and the Middle East.

Haque said his company exported 12,000 pieces of horse showpieces, with sales amounting to \$50 million in 2008.

GIT Bangladesh also displays its products at Zia International Airport.

Additionally, brass jewellery, including earrings, bracelets and bangles are becoming popular among urban teens and several boutique houses are ready to serve them.

Brass has come a long way with innovative ideas and marketing schemes and demand for the metal will certainly rise in the days to come.

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## ECONOMIC CRISIS

## Singapore emerging from recession

AFP, Singapore

Singapore said Tuesday its economy grew for the first time in a year in the second quarter, suggesting the city is emerging from its worst recession and offering hope for other battered Asian economies.

Powered by electronics and biomedical exports, the economy soared 20.4 percent in the three months to June compared with the first quarter on a seasonally adjusted annualised basis, the Ministry of Trade and Industry said.

A Dow Jones Newswires poll of 10 analysts had tipped an average 14.1 percent economic expansion. It was the first quarter-on-quarter growth in five quarters.

Gross domestic product (GDP) is now expected to contract 4-6 percent for the year, better than an earlier projection of 6-9 percent, but the ministry warned that any recovery would be weak due to the fragile global economy.

Trade-driven Singapore last sank into a recession in 2001 when the economy shrank 2.4 percent, its worst slump since gaining statehood in 1965.

It became the first Asian economy to slip into recession in the second half of last year after a financial and economic crisis that started in the United States hit demand for its exports.

Tuesday's data meant that Singapore is the first of the Asian countries hit by recession to release statistics pointing to a recovery.

Compared with the previous year, however, output in the June quarter was down 3.7 percent, indicating that the economy remained weak.

"The economy is growing again," said David Cohen, an economist with research house Action Economics.

"Growth won't be very strong but it should remain in an upward trajectory," he told AFP.

Tuesday's data compare with a 14.6 percent quarter on quarter



contraction in the three months to March.

DBS Group called it a "stunning turnaround" in line with its forecast.

CIMB-GK economist Song Seng Wun said Singapore's June quarter rebound boosts hopes that the worst is also over for China, South Korea, Hong Kong, Taiwan and other Asian economies affected by the global crisis.

"Because Singapore has an open economy and has the highest exports to GDP ratio, its performance reflects any improvement

or deterioration in global demand," Song said.

Despite the quarter-on-quarter growth, the trade ministry cautioned that "the outlook for the rest of the year remains largely unchanged: of a weak recovery susceptible to downside risks."

"At this juncture, there is no evidence yet of a decisive improvement in final demand," the ministry said, adding the second quarter surge "may not be sustained."

The key manufacturing sector contracted by 1.5 percent in the June quarter, compared with a

24.3 percent shrinkage in the previous three months, reflecting the spike in pharmaceuticals and electronics, the ministry said.

But the services sector, which accounts for two-thirds of the economy, continued to shrink with a decline of 5.1 percent in the June quarter from a year ago, it said.

It noted that rising unemployment and reduced consumer spending in major export markets such as the United States and Europe reflected the continued weakness in the global economy.

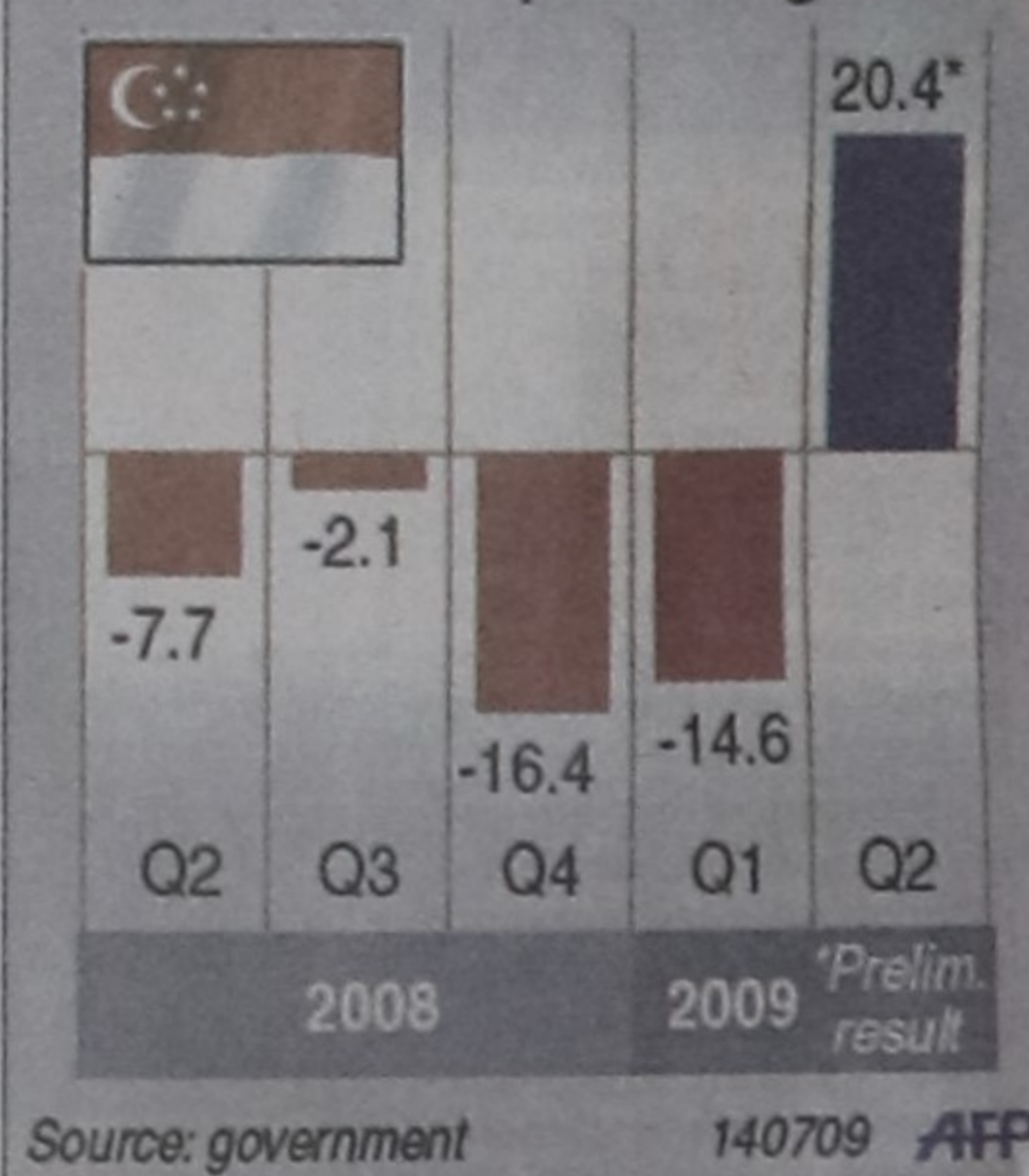
The June quarter figures are

computed mainly from the April-May period and the ministry is expected to release a more detailed picture in the next few weeks.

Action Economics' Cohen predicted that "this will be the first in a series of upbeat GDP reports for the second quarter from Asian economies."

"Maybe this will provide some reassurance to the markets which have been jittery in the last few weeks about the sustainability of the recovery. It shows that Asian economies have turned the corner in the second quarter."

## Singapore economy Quarter-on-quarter growth



This file photo taken on May 26, 2009 shows two women looking at dresses displayed outside a shop in Singapore. Singapore said yesterday its economy grew 20.4 percent in the quarter to June, suggesting the city-state is emerging from its worst ever recession.